

EXHIBIT 31

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE SOUTHERN DISTRICT OF NEW YORK

5 LEIGHTON TECHNOLOGIES, :
6 Plaintiffs, :
7 vs. : No. 04-CV-02496
8
9 OBERTHUR CARD SYSTEMS, S.A., :
10 OBERTHUR CARD SYSTEMS OF :
AMERICA CORPORATION, :
10 Defendants. :

12 ---oo0o---

14 VIDEOTAPE DEPOSITION OF
15 KEN THOMPSON
16 VOLUME 1

18 May 4, 2006

20 | REPORTED BY: KENNETH T. BRILL, RPR, CSR 12797

23 ELLEN GRAUER COURT REPORTING CO. LLC
24 126 East 56th Street, Fifth Floor
25 New York, New York 10022
 212-750-6434
 REF: 80728

1 THOMPSON

2 did not satisfy the deliverables as agreed upon that
3 you signed and signed up to.

4 And we're not prepared to give you the
5 \$1,500 bonus. And then I recall -- I recall that I
6 had a document that for him and send it to him,
7 something like that.

8 Q. During the expiration conference, what was
9 his tone?

10 A. I think his tone and general attitude was,
11 you know, we just need to try some more, we just
12 need to build some more. You know, he went, let's
13 try some other variations, let's do this, we need
14 more time, and we need to do this. And the other
15 tone was -- you know, you should -- you should hire
16 me for a longer period of time because we can do
17 better, and we'll get -- we'll try new processes,
18 and -- and I've done a great job, and the reason I
19 haven't been as successful at this is because you
20 prevented me because you didn't have tooling, or you
21 didn't have parts, or you didn't have something
22 else.

23 So that was the tone. It was a -- it was
24 a -- his tone was, I can't believe that you don't
25 think that I did a great job and deserve the \$1,500

1 THOMPSON

2 | bonus.

3 Q. Was -- did he speak in a raised tone of
4 voice?

5 A. I don't recall. I know that Keith would
6 sometimes get agitated and in an agitated manner say
7 something, but I don't -- I don't particularly
8 recall --

9 Q. Mm-hmm.

10 A. -- whether the raised tone or agitated
11 tone.

12 Q. You mentioned that he would come back to
13 you and come back to you. Was that by phone call?

14 A. By phone call, and...

15 MR. J. D. JACOBS: Let's mark the next
16 document, a letter dated May 19 from Mr. Leighton to
17 Mr. Thompson bearing Bates number L04427. And that
18 will be the next exhibit, 2,676.

19 — — —

20 (Whereupon the document was marked,
21 for identification purposes, as Exhibit
22 Number Two Thousand Six Hundred
23 Seventy-Six.)

24 — — —

25 BY MR. J. D. JACOBS:

EXHIBIT 32

Confidential

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

LEIGHTON TECHNOLOGIES, LLC,) Case No.
Plaintiff and) 04 Civ. 02496
Counterclaim Defendant,)
v.)
OBERTHUR CARD SYSTEMS, S.A., AND)
OBERTHUR CARD SYSTEMS OF)
AMERICA CORPORATION,)
Defendants and)
Counterclaim Plaintiffs)

CONFIDENTIAL

DEPOSITION OF JEAN-MARC DELBECQ

WEDNESDAY, MARCH 22, 2006

PAGES 151 - 308; VOLUME 2

BY: CHRISTINE L. JORDAN, CSR NO. 12262

Confidential

Page 230

1 Number two, do you recall whether Leighton
2 ever provided Indala any of the items listed under
3 number two?

4 (The witness reviews the document.)

5 THE WITNESS: I recall that Keith Leighton
6 did not deliver the items listed in item two or that
7 if -- if he claimed to have, the results were not
8 reproducible in a sufficiently -- in a -- of a
9 sufficient quality to be called a -- a deliverable.

10 BY MR. J. JACOBS:

11 Q. How about items under number three, did he
12 provide Indala with the items under number three?

13 (The witness reviews the document.)

14 THE WITNESS: I do not recall Keith Leighton
15 providing Indala the items in number three except the
16 specifications for cassette design, mirror plate,
17 source press pads and press plates.

18 I do recall getting some contacts from Keith
19 Leighton and -- and buying some plates or deciding that
20 his -- actually, probably what I really remember is
21 that, after talking to his contacts, we decided that
22 there really wasn't a lot of value and we went and we
23 sourced them in other places.

24 But one of the things I think that Keith
25 Leighton as, you know, he presented him -- represented

••Deliverables, Keith Leighton to Motorola Indala for Services (re-send 3/21/95) ••

The items to be included in quote as basis for payment must include the following deliverables:

1. Materials

- a. complete specification of all materials to include thicknesses and tolerances, chemical make-up, vendor part number, sizes

No documented report, Bill of Material, print, or chemical specifications supplied by Keith.

- b. incoming inspection procedure for material

No documented procedure supplied by Keith.

- c. handling and storage requirements for materials, conditioning if necessary

N/A

- d. lot traceability procedure for materials

N/A

2. Process

- a. complete process specification for producing PVC cards at $0.038^{\circ} \pm 0.004^{\circ}$ with a surface flatness (1 side) of $<0.0005^{\circ}$ at less than 40 minutes per cycle.

Process supplied yielded 0.046" to 0.048" at less than 30% yield for electrical and cosmetic quality.

- b. PVC lamination process to achieve flatness or combination of PVC lamination and post-process cold lamination (or gluing) of PVC top, printable layer

Not Attempted

- c. process to be developed with final outcome of using 4 cassette books and 5-12 layers per book

Done

- d. Quality control process for documentation of lamination process on each lot with future traceability

N/A

- e. Data compiled for flatness vs. material and process used

Not Done

3. Equipment/ Monitoring/ equipment/ Test Equipment

- a. Procedure for laminating/ hot press operation

No written procedure supplied by Keith

- b. Static discharge equipment requirement for laminated sheets

No requirements document supplied for Keith

- c. Specifications for cassette design, mirror plate, w/source, press pads, and press plates

Some specifications supplied but process was a moving target, MI could not source over \$10,000 worth of tooling for an unstable process

- d. Process monitoring tooling needed for tracking of lamination performance to lot

N/A

- e. Specification and set up of test equipment on laminated product

Not Done

- f. Preventive maintenance specification for lamination equipment and tooling

Not Done

4. Product

EXHIBIT 2019
PLATE DEF
WITNESS DEBECQ
CONSISTING OF 2 PAGES
DATE 3/23/2006
BEHMKE REPORTING & VIDEO SERVICES

Motorola / Indala Ken Thompson

408 363 7941

7/12/95

5:39 PM

a. Manufacture of ISO format card with embedded electronic RF ID's to a surface flatness of 0.0005" for dye sublimation printing
Process given to Motorola Indala after 5 weeks of development yielded below 24% on runs of over 4,000 card sites. Evolving process, materials, and tooling did not allow sufficient time within the 4 weeks to produce a stable, or acceptable process.
b. Production of >10,000 cards using process, tooling, and material identified within 4 weeks along with all above items to receive bonus amount of \$1,500.00

Process given to Motorola Indala after 5 weeks of development yielded below 24% on runs of over 4,000 card sites. Evolving process, materials, and tooling did not allow sufficient time within the 4 weeks to produce a stable, or acceptable process. Motorola Indala does not consider the 24% yield to be a "production process". Due to unusable process development, MI would not commit to >\$10,000 worth of tooling until a "production process" was identified.

During those 4 weeks, the laminating press was inoperable for 3 days and Keith missed a total of 2.5 days of work. \$1,500 was issued to Keith for the 5th week of work. \$375 was issued to Keith on P.O. #950747 dated 6/22.

Signed: Keith Leighton

Date: _____

Ken Thompson

Date: _____

EXHIBIT 33

1

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2 FOR THE SOUTHERN DISTRICT OF NEW YORK

5 LEIGHTON TECHNOLOGIES, :
6 Plaintiffs, :
7 vs. : No. 04-CV-02496
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1 THOMPSON

2 increase the yields, improve the yields?

3 And I think Jean-Marc and my response was
4 we don't think so, based upon his performance and
5 documentation efforts, and style of working, his
6 deduction abilities, is just inadequate and sub par
7 from what we need it to be. And I think our general
8 manager, or my boss then said, or I said, I'll --
9 I'll dedicate a lot of my time to -- to -- to
10 improving this and making it better.

11 And, in fact, that's why I have the
12 process logs that started on May 1st.

13 Mr. Leighton didn't produce any quality
14 documentation at all about the processes and
15 parameters he was using.

16 He would run things, make decisions and
17 run something different. And Mr. Delbecq and I
18 would talk to him and say, well, why did you do
19 this, and how did you draw the conclusion that you
20 should be doing this particular variation of process
21 next? And -- and he was not following what we
22 considered to be good, logical -- or making good
23 decisions. I should say.

24 Q. What happened after the termination
25 conference with Mr. Leighton?

1 THOMPSON

2 Q. Yeah.

5 Q. Five weeks of working time is what I
6 really was referring to.

7 A. Yes. Yes.

8 Q. Can you identify what contributions, if
9 any, Leighton made to the process that existed at
10 Indala on the day he walked into Indala?

11 A. Yeah, sure.

12 Q. Let me rephrase the question, because it
13 doesn't make sense.

14 Can you identify what contributions
15 Leighton's -- Leighton made to the process he found
16 at Indala on the day he walked in?

17 MR. B. JACOBS: From the time he started
18 to the time he ended, basically?

19 MR. J. D. JACOBS: Exactly.

20 MR. B. JACOBS: Okay.

1

THOMPSON

2

So from a process standpoint, there's
nothing that I can hang my hat on that says, yep,
this is a thing that he contributed to from a
process standpoint. He did have other contributions
other than process.

6

BY MR. J. D. JACOBS:

8

Q. And what were they?

9

A. Just a general handling of sheets, how you
handle sheets, for print sheets, the care you have
to take to not contaminate them. Some of the tricks
for -- to reduce the static electricity, to reduce
the scratching in handling for sheets. Tooling
suppliers for lamination plates, for material
suppliers who can make us PVC at the thicknesses we
desired.

17

He -- he verified a lot of lamination
processes that didn't work, so we knew not to try
them again. So there were a lot of process -- a lot
of contributions other than the process knowledge
that he contributed towards.

22

Q. Did he, in any way contribute to or change
the structure of the product itself?

24

A. He recommended some material changes, but
we didn't necessarily see those material changes

EXHIBIT 34

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

LEIGHTON TECHNOLOGIES, LLC,)
plaintiff,)
vs.) Case No.
) 04 Civ. 02496 (CM)

OBERTHUR CARD SYSTEMS, S.A.)
and OBERTHUR CARD SYSTEMS)
OF AMERICA CORP.,)
defendants.)

(Volume III - pages 522 through 875)

Continued videotaped deposition of
KEITH LEIGHTON, a witness herein, called by the
defendants as if upon cross-examination, and
taken before David J. Collier, RPR, Notary
Public within and for the State of Ohio,
pursuant to Notice of Deposition and pursuant to
the further stipulations of counsel herein
contained, on Monday, the 23rd day of October,
2006 at 8:02 a.m., at the offices of Tackla &
Associates, 1020 Ohio Savings Plaza, City of
Cleveland, County of Cuyahoga and the State of
Ohio.

1 A No. No.

2 Q Did they have any presses?

3 A Printing presses, that's strictly it.

4 Q That's not a laminating press?

5 A No.

6 Q Did you -- did you have a -- you didn't
7 have a laminating press at home, did you?

8 A No.

9 Q Okay. Did you have access to a lamination
10 press from May 5th of '95, when you stopped
11 working for Motorola, to when the -- your
12 provisional patent application was filed?

13 A No, I wasn't doing any card work at all.

14 Q You weren't doing any experiments or tests?

15 A No, until I went to -- back to 2B System to
16 make the Mifare and Hitag cards.

17 Q But that was after October of '95, right?

18 A Yes.

19 Q That was in -- sometime in '96.

20 A Correct.

21 Q Okay. So it's fair to say that after you
22 left Motorola and continuing over the next
23 couple of months to think about the problems and
24 issues that arose, you came up with the idea
25 that led to your patents?

1 A Yes.

2 Q And that --

3 A That's correct.

4 Q And that was for a process and a method for
5 making a laminated card with an embedded
6 electronic element --

7 A Correct.

8 Q -- that wouldn't be damaged during the
9 lamination process.

10 A Correct.

11 Q Thin enough to meet ISO standards.

12 A Yes.

13 Q Okay. And how did you come up with the
14 temperatures and pressures that would be used
15 during that process?

16 A After I left Motorola, there's a company
17 out in Newcomerstown, Ohio that had PVC extended
18 life plastic, it was a homopolymer and
19 copolymer. By using that type of PVC, I could
20 come up to higher temperatures without yellowing
21 the plastic, and I was able to go to
22 temperatures that I couldn't go at Motorola, and
23 I made some tests there at CSI to make this
24 card.

25 Let me back up here. I made some

1 tests there of lamination. At the same time I
2 received some electronics from Micron, both
3 Mifare and Hitag. I manufactured both Hitag and
4 Mifare on the same sheets, same core sheets.

5 Q Okay. But -- but everything you're talking
6 about occurred after the beginning of '96,
7 right?

8 A Correct.

9 Q Okay.

10 A The first part of '96 --

11 Q Okay.

12 A -- I was out there.

13 Q Yeah. I want to -- I want to talk about as
14 of the time you filed your provisional patent
15 application.

16 A Um-hum.

17 Q What did you have in mind in terms of
18 temperatures and pressures at which the
19 operation -- process would occur? Did you have
20 any temperatures or pressures in mind?

21 A I knew I had to flow the plastic. I didn't
22 know the temperatures that I would be going to
23 because I didn't have the plastic core sheets
24 set yet.

25 Q Okay. How about the pressures, did you

1 know what pressures you would use?

2 A I knew I would use a zero pressure.

3 Q Zero pressure when?

4 A In the heat cycle.

5 Q Okay. Zero pressure throughout the heat
6 cycle?

7 A No.

8 Q When in the heat cycle?

9 A I would bring it up to a first period of
10 time of heating the core before pressure. After
11 the first period of time then I would increase
12 the pressure on that cycle. That's something I
13 couldn't do at Motorola.

14 Q What else in terms of process steps did you
15 think of?

16 A I made a core pre-lam containing the
17 electronics.

18 Q I'm sorry. I'm trying to -- I'm trying to
19 cover what you did from the time you left
20 Motorola to when your provisional patent
21 application was filed, just that window of time.

22 A Oh, okay. Then I'm not in manufacturing of
23 cards.

24 Q Okay.

25 A You asked me what was the next step.

1 Q Okay. No, I understand. I'm sorry for the
2 confusion.

3 At the time you filed your provisional
4 application, okay, back in 1995 --

5 A Correct.

6 Q -- what in your mind was the state of your
7 invention?

8 MR. GUTKIN: Object to form.

9 A It was --

10 MR. GUTKIN: You can answer.

11 A It was strictly a provisional in writing
12 only.

13 Q Okay. And what at that point in time in
14 your mind had you fixed in terms of what the
15 invention was? I'm not trying to hold you to a
16 legal definition, I just want to know what your
17 memory was at the time of what your invention
18 was when you filed your provisional patent
19 application.

20 A I had in mind of making a thin ISO standard
21 card, and to achieve that and put printing on
22 it, I printed on the pre-lam, thus eliminating
23 14 thousandths of plastic.

24 Q Okay. And anything else come to mind at
25 the time that you filed your provisional

1 application as to how you would achieve that?

2 A By making a -- the pre-lam, I went to a
3 place where I was familiar with the laminator
4 because I did a lot of modifications on that
5 laminator.

6 Q Right.

7 A CSI happened to be formerly 2B Systems.

8 Q Okay.

9 A I was familiar with the equipment. And by
10 making my first test, I used the top platen of
11 that laminator where I knew I could -- I could
12 bring it to a touch with the pads in it not
13 crushing but touching the plates, where I could
14 have heat from the top and heat from the bottom
15 with zero pressure --

16 Q Okay.

17 A -- on the chip.

18 Q And is that -- is that something that
19 occurred to you before you filed your
20 provisional application, of course, that
21 applying heat with no pressure?

22 A Yes.

23 Q And that was after you left Motorola?

24 A Yes.

25 Q And that just came into your head without

1 any experimental work?

2 A I had help. God was with me.

3 Q Okay. And what else --

4 A This idea come from the Lord, I'll tell
5 you.

6 Q What other -- what other process steps did
7 you come up with prior to when your provisional
8 patent application was filed? Did you think
9 about applying an increased pressure during the
10 cooling phase?

11 A I wrote it all out on two pages in
12 ballpoint ink and then I didn't vary from
13 that --

14 Q Okay.

15 A -- in making my --

16 Q Okay.

17 A -- card. I stuck to that.

18 Q Let's take -- let's take a break for lunch
19 and then we'll talk about that.

20 BY MR. DeFRANCO:

21 Q Okay. Mr. Leighton, before we took a lunch
22 break you mentioned a two page document that you
23 had jotted down on a pad some of your
24 thoughts --

25 A Right.

EXHIBIT 35

IN THE UNITED STATES DISTRICT COURT
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- - - - -
LEIGHTON TECHNOLOGIES, LLC,)
plaintiff,)
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) 04 Civ. 02496 (CM)

OBERTHUR CARD SYSTEMS, S.A.)
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(Volume III - pages 522 through 875)
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Cleveland, County of Cuyahoga and the State of
Ohio.

Tackla
& Associates

Court Reporting & Videotaping

1020 Ohio Savings Plaza
1801 E. Ninth Street
Cleveland, Ohio 44114
216-241-3918 • Fax 216-241-3935

1 Q Okay. No, I understand. I'm sorry for the
2 confusion.

3 At the time you filed your provisional
4 application, okay, back in 1995 --

5 A Correct.

6 Q -- what in your mind was the state of your
7 invention?

8 MR. GUTKIN: Object to form.

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15 invention was? I'm not trying to hold you to a
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22 it, I printed on the pre-lam, thus eliminating
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4 because I did a lot of modifications on that
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9 A I was familiar with the equipment. And by
10 making my first test, I used the top platen of
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12 bring it to a touch with the pads in it not
13 crushing but touching the plates, where I could
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15 with zero pressure --

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23 Q And that was after you left Motorola?

24 A Yes.

25 Q And that just came into your head without

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2 FOR THE SOUTHERN DISTRICT OF NEW YORK

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15 - KEN THOMPSON
16 VOLUME I

18 May 4, 2006

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24 126 East 56th Street, Fifth Floor
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 212-750-6434
 REF: 80728

1 THOMPSON

2 A. Yes.

3 Q. Were the coils, in fact, there?

4 A. Yeah, yeah.

5 Q. You did have the coils?

6 A. Yes, but I wasn't going to give them to
7 him, because they were cost -- the coils and
8 module -- when he says coils, he really means the
9 coils and modules. They cost about maybe \$2 apiece.
10 And at 20 percent yield, I couldn't be giving him
11 50,000 -- a hundred thousand dollars worth of
12 materials to produce 10,000 good cards.

13 Q. Was it -- was the fact that he did not
14 produce ten thousand cards the only reason why he
15 did not get the bonus?

16 A. No.

17 0. There were other reasons also?

18 A. Oh, yes. And I believe those other
19 reasons were -- were in the deliverables document
20 which you gave me before.

21 MR. J. D. JACOBS: Let's mark as the next
22 document, to move this along -- and in fact as the
23 next two documents, as Exhibit 2,677, a document
24 bearing Bates number L04428, a letter from
25 Mr. Thompson to Mr. Leighton.

1 THOMPSON

2 assistance, being extra body and hands, a technical
3 expert, so to speak, or -- that's more skilled in
4 card lamination.

5 Q. Were there any manufacturing problems at
6 that point in time, relating to your work?

7 A. Yields, yields were the largest issue.

8 Q. What were your yields before Mr. Leighton
9 came on, approximately?

10 A. About 20 percent.

11 Q. So he really didn't change in one
12 direction or another the yields during his time
13 there?

14 A. Unh-unh.

15 THE COURT REPORTER: I'm sorry?

16 THE WITNESS: No. No, he didn't.

17 BY MR. B. JACOBS:

18 Q. Let's take a look at 2,668, which is the
19 letter that you sent to Mr. Leighton in February and
20 then resent to him in March.

21 A. Okay.

22 Q. You say in the -- in the first sentence of
23 the second paragraph, "We have confidence that you
24 can lead our efforts in making flat printable
25 cards."

1 THOMPSON

2 justifiable need to be greater than 95 percent.

3 Q. But in this instance, because of the
4 complexity of laminating the cards, something in the
5 30 to 40 percent range, at least in that timeframe?

6 A. The business --

7 MR. J. D. JACOBS: Objection. No, you can
8 answer.

18 BY MR. B. JACOBS:

19 Q. And if he had asked you that, you would
20 have told him 35 to 40 percent in this instance?

21 MR. J. D. JACOBS: Objection.

22 BY MR. B. JACOBS:

23 Q. Do you recall?

24 A. I recall us speaking about that, and I
25 believe the yields that we had in our AVC-131s were

1 THOMPSON

2 about 70 percent, 60, 70 percent. So it wasn't real
3 high, you know, none of the --

4 Q. Mm-hmm.

5 A. -- processes were that refined. I
6 specifically did not put yield targets in the
7 deliverables, because I wanted to make sure that he
8 could achieve, you know, the deliverables.

9 Q. But you put volume targets?

10 A. I put a volume target along with other
11 things for a bonus, not for the deliverables.

12 Q. But you would agree that in order to -- to
13 meet the volume target, you would have to do so with
14 acceptable yield, or else it just wouldn't make
15 business sense; right?

16 MR. J. D. JACOBS: Objection.

17 THE WITNESS: Could you re -- say that
18 again, please.

19 BY MR. B. JACOBS:

20 Q. Sure. I think that the target was ten
21 thousand cards. Say the --

22 A. Yes.

23 Q. -- target was ten thousand cards. Okay?
24 In order to achieve that goal, you're going to have
25 to do so with an acceptable yield, or else it makes

EXHIBIT 37

LEXSTAT 35 U.S.C. SECTION 261

UNITED STATES CODE SERVICE
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*** CURRENT THROUGH P.L. 109-481, APPROVED 1/12/2007 ***
*** WITH GAPS OF 109-476 THROUGH 109-480 ***

TITLE 35. PATENTS
PART III. PATENTS AND PROTECTION OF PATENT RIGHTS
CHAPTER 26. OWNERSHIP AND ASSIGNMENT

[Go to Code Archive Directory for this Jurisdiction](#)

35 USCS § 261

§ 261. Ownership; assignment

Subject to the provisions of this *title* [*35 USCS § 1 et seq.*], patents shall have the attributes of personal property.

Applications for patent, patents, or any interest therein, shall be assignable in law by an instrument in writing. The applicant, patentee, or his assigns or legal representatives may in like manner grant and convey an exclusive right under his application for patent, or patents, to the whole or any specified part of the United States.

A certificate of acknowledgment under the hand and official seal of a person authorized to administer oaths within the United States, or, in a foreign country, of a diplomatic or consular officer of the United States or an officer authorized to administer oaths whose authority is proved by a certificate of a diplomatic or consular officer of the United States, or apostille of an official designated by a foreign country which, by treaty or convention, accords like effect to apostilles of designated officials in the United States, shall be *prima facie* evidence of the execution of an assignment, grant or conveyance of a patent or application for patent.

An assignment, grant or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration, without notice, unless it is recorded in the Patent and Trademark Office within three months from its date or prior to the date of such subsequent purchase or mortgage.

HISTORY:

(July 19, 1952, ch 950, § 1, 66 Stat. 810; Jan. 2, 1975, P.L. 93-596, § 1, 88 Stat. 1949; Aug. 27, 1982, P.L. 97-247, § 14(b), 96 Stat. 321.)

HISTORY; ANCILLARY LAWS AND DIRECTIVES

Prior law and revision:

Based on 35 U.S.C., 1946 ed., § 47 (R. S. § 4898; Mar. 3, 1897, ch. 391, § 5, 29 Stat 93; Feb. 18, 1922, ch. 58 § 6, 42 Stat. 391; Aug. 18, 1941, ch. 370, 55 Stat. 634).

The first paragraph is new but is declaratory only. The second paragraph is the same as in the corresponding section of existing statute. The third paragraph is from the existing statute, a specific reference to another statute is omitted. The fourth paragraph is the same as the existing statute but language has been changed.

EXHIBIT 38

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

- - - - -
LEIGHTON TECHNOLOGIES, LLC,)
plaintiff,)
vs.) Case No.
) 04 Civ. 02496 (CM)

OBERTHUR CARD SYSTEMS, S.A.)
and OBERTHUR CARD SYSTEMS)
OF AMERICA CORP.,)
defendants.)

- - - - -
(Volume III - pages 522 through 875)
- - - - -

Continued videotaped deposition of
KEITH LEIGHTON, a witness herein, called by the
defendants as if upon cross-examination, and
taken before David J. Collier, RPR, Notary
Public within and for the State of Ohio,
pursuant to Notice of Deposition and pursuant to
the further stipulations of counsel herein
contained, on Monday, the 23rd day of October,
2006 at 8:02 a.m., at the offices of Tackla &
Associates, 1020 Ohio Savings Plaza, City of
Cleveland, County of Cuyahoga and the State of
Ohio.

Tackla
& Associates

Court Reporting & Videotaping

1020 Ohio Savings Plaza
1801 E. Ninth Street
Cleveland, Ohio 44114
216-241-3918 • Fax 216-241-3935

1 gel or some other protective coating, do you
2 call it something else?

3 A I don't know what they would call it.

4 Q Okay.

5 A Every manufacturer has their own process --

6 Q Okay.

7 A -- of making cards.

8 Q So for the Motorola process, you'd call
9 it -- you'd call it the inlay that was enclosed
10 in a gel?

11 A That's what they were using at the time I
12 went out there.

13 Q Okay. At the time that you -- is that the
14 first time, when you saw that Motorola card,
15 that you ever saw an electronic element
16 incorporated in a laminated card?

17 MR. GUTKIN: Object to form.

18 A I can't recall if that's the first time. I
19 might have seen a contact chip, which would be
20 the same type.

21 Q Okay. I think at one of your earlier
22 depositions you said you hadn't seen an
23 electronic element laminated in a card before
24 you started working at Motorola.

25 A That would be correct. You asked me if I

1 had seen an electronic element before --

2 Q Okay.

3 A -- not laminated in a card.

4 Q Not laminated. Okay.

5 Other than an electronic element, had
6 you worked with anything that had been laminated
7 in a card prior to your work for Motorola?

8 A Other than an electronic element?

9 Q Yes.

10 A I put a metallic foil --

11 Q Okay.

12 A -- in a card.

13 Q That was a layer of metallic foil?

14 A Yes. It was a gold called -- Crown Leaf
15 was the manufacturer, they made material for
16 holograms --

17 Q Okay.

18 A -- they make --

19 Q And what was the purpose of that gold foil
20 layer?

21 A That was given to me while I worked out at
22 Cardtech --

23 Q Okay.

24 A -- now called G & D or Giesecke & Devrient.

25 Q And what was the purpose of that?

EXHIBIT 39

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

- - - - -

LEIGHTON TECHNOLOGIES, LLC,)
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1 last -- at your other deposition.

2 A Yes.

3 Q Anything else, anything else you'd
4 laminated in cards prior to coming to Motorola?

5 A No.

6 Q Now, the gold --

7 A Not to my recollection. I mean --

8 Q The gold or metal foil, those didn't have
9 any -- weren't connected to any chips, is that
10 right, the one that you just mentioned?

11 A No. No.

12 Q There was no electricity running through --

13 A It was not an electronic thing, although I
14 think it could be, some day be an electronic
15 element.

16 Q I'm sorry. That one you're going to have
17 to explain to me. I thought the layer, the gold
18 or silver layer, was for decorative purposes; is
19 that right?

20 A That's the purpose that I was using it for,
21 but it could be used as a antenna.

22 Q Okay. Was it used as an antenna at the
23 time?

24 A Not at the time that I made the card. It
25 was a promotional card. I could show you that

1 card if you'd like to see it.

2 Q Yeah, I'd like to see it. I mean, was
3 it -- do you have it here?

4 A Yes, I do --

5 Q Great.

6 A -- if I can pull it out here.

7 I made this at Cardtech.

8 Q Okay. And this has a gold or silver layer
9 in it?

10 A That has a silver layer.

11 Q And is it -- is it colored also, the silver
12 layer? What's the blue color? Is that --

13 A The blue color is printing on top of the
14 crown leaf foil --

15 Q Okay. And --

16 A -- after I placed a sandwich of adhesives
17 and --

18 Q Okay. About how thin is that silver layer
19 on this card?

20 A I'm not sure. I forget that.

21 Q Okay. But approximately, you have some
22 idea about how thin it is, right?

23 A Maybe 2 thousandths, maybe 3 thousandths,
24 I'm not sure.

25 Q Which is probably thinner than a head of

1 hair?

2 A Yes.

3 Q Is that right?

4 A Right.

5 Q Okay. And you said you could envision this
6 being used -- such a layer being used as an
7 antenna some day?

8 A I envision that now. At the time I made
9 the card I wasn't thinking of that.

10 Q Okay. You weren't thinking of this as an
11 antenna?

12 A No.

13 Q All right. Did you -- did there come a
14 time when you thought of this -- such a layer
15 being used as an antenna?

16 A Yes.

17 Q When was that?

18 A After I started making and doing research
19 on making contactless labels.

20 Q When was that?

21 MR. TACKLA: Two minutes of
22 tape.

23 A I'd say about year 1996 maybe.

24 Q Okay. After -- after you filed your first
25 provisional patent application?

EXHIBIT 40

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

- - - - -
LEIGHTON TECHNOLOGIES, LLC,)
plaintiff,)
vs.) Case No.
) 04 Civ. 02496 (CM)

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(Volume III - pages 522 through 875)
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1 improve -- they wanted a list of materials that
2 I could bring to them to help them facilitate
3 the manufacture of their cards.

4 Q Okay. But going beyond at the time that
5 you were hired, at some point did you enter into
6 a contract with Motorola where you agreed to
7 assign any inventions that you came up with as a
8 result of your work for them?

9 A Not at the time.

10 Q Well, at any point did you sign -- enter
11 into such an agreement?

12 A I signed a confidentiality agreement after
13 I was there and I was working for a period of
14 time, and I forgot how long that period of time
15 was, and they came to me and they said, oops, we
16 were supposed to have you sign this.

17 Q Okay. And did you at some point sign the
18 confidentiality agreement?

19 A Yes, I did.

20 Q And --

21 A They didn't sign it.

22 Q You never saw a signed copy on their part?

23 A No.

24 Q You never received a signed copy --

25 A No.

1 Q -- from Motorola?

2 A They just brought it in to me, asked me to
3 sign the document, and I believe they asked me
4 to backdate it because they were supposed to
5 give that to me before I started work. I copied
6 that document before I handed it back to them,
7 and I never received back a signed copy from
8 them.

9 Q All right. Well, let's -- let's break that
10 down a little bit.

11 Once you signed that agreement with
12 Motorola, was it your understanding at the time
13 that as of at least that point you were under an
14 obligation to assign whatever work came
15 afterward to Motorola that you had done based on
16 your consulting relationship with them?

17 A No, I believe it stated in that contract
18 that I would assign while working for Motorola
19 any ideas that I had that would be a patentable
20 idea --

21 Q Okay.

22 A -- during that employment period.

23 Q Well, explain to us in a little more
24 detail, if you would, what your understanding
25 was exactly. When you say "while working for